

## 4 Summary and Recommendations

With Kyushu's shift away from reliance on agriculture and heavy industry, higher-value-added products including robotics, integrated circuit manufacturing and fine ceramics are taking on new importance in the region's economy. Boosted by the government's successful technopolis concept, further high-technology growth is expected.

In light of Kyushu's evolving industrial infrastructure, the rate of growth in the island's GDP to the end of this century has been estimated using an average of economic forecasts.

Kyushu is also highlighting its natural environment and relaxed lifestyle by developing its resorts and recreational facilities. In some cases, developers are acting in co-operation with overseas firms. Nagasaki's "House Tembos," set for completion in 1992, is a 152-ha international resort co-sponsored by the Netherlands.

Mitsubishi Heavy Industries has become a trendsetter in the tourist transportation field, replacing its oil-tanker production with passenger liners for the international cruise market.

Nippon Steel's operation in Kita-kyushu may draw as much as one-quarter of its future earnings from leisure industries, primarily by converting abandoned waterfront industrial sites into recreational areas. The flagship site among several selected nationwide opened in Kita-kyushu in April 1990; "Space World" is expected to attract 2.2 million people annually.

Kyushu also stands to gain from moves by the central government to decentralize its services, a process that has already begun to bring benefits to the

region. In late 1989 the government moved a training bureau belonging to Japan's equivalent of the Canadian International Development Agency to Fukuoka.

Although centralization in the capital may continue for as long as the economy continues to boom, the strain of Tokyo's exorbitant land, distribution, and social costs is already showing. Long-term continuation of the trend could cause the system to collapse.

Kyushu sees itself as Japan's gateway to Asia, the western threshold of the country that in ancient times had the first contact with other Asian cultures and then later with Europe. It intends to maintain its reputation as a centre of international trade and exchange, through incoming and outgoing missions organized by a host of commercial and economic groups.

Kyushu's openness to foreign investment and efforts to strengthen ties with its Asian neighbours make it an ideal base for companies with Asia-wide trade aspirations.

Kyushu's development has immediate relevance to Canadian exporters. The automobile sector is booming, the high-technology sector is growing, a wide range of software companies is evolving, the housing market is changing, and the recreation and resort industry is becoming increasingly significant.

For the Canadian exporter, Kyushu's huge consumer market is perhaps the island's biggest attraction. Because of its size and relative immaturity, the consumer market is virtually wide open, offering entry to Canadian products as yet untested in Japan, as well as to those that have been proved internationally competitive.

Table 15

Projected GDP Growth Rate for Kyushu Region (%)

1985	1986	1987	1988	1989	1990	1991	1993	1995	2000
4.1	3.1	3.3	4.2	5.0	6.0	4.0	4.0	5.0	6.0